



## RETIRED PUBLIC EMPLOYEES ASSOCIATION OF CALIFORNIA

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**Testimony**  
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**05/31/07**

Mr. Chairman, and Commission Members, my name is Ann McWherter and I am the Vice President of the Retired Public Employees' Association (RPEA). RPEA represents 35,000 retired public employees who receive a monthly retirement allowance from the California Public Employees' Retirement System. Our organization is very interested in the work this commission is doing and we were relieved to hear at the previous hearing that retirement benefit changes are off the table for this study. But, we still have serious concerns about what recommendations will be made in the area of post-retirement health benefits.

The purpose of my being here is to give you a little background on our organization. RPEA is made up of school, local agency and state retirees. We are the public servants who, during our careers, provided the services that the public depended on whether they realized it or not. We were the police, firefighters, nurses, teachers, garbage men, highway workers, bridge builders, sewer cleaners, the clerk in the office and all the other jobs that made our society run efficiently. Now, we are the folks whose "unfunded post retirement benefits" are causing all the hand wringing in the state and local newspapers. We didn't cause the problem. We worked hard during our careers to earn these benefits and traded salary, time off and other benefits in exchange for our post-retirement health benefits. Now we are seeing this benefit under attack and in some cases eliminated.

In RPEA, we have all variations of health benefit coverage among our members. About one third of our membership consists of retired State employees. They are the lucky ones in our group – they have health benefits after retirement and a very generous employer contribution towards those benefits. I am fortunate enough to be a retired State employee. Our main concern is what will happen in the future once the full impact of GASB is known. We have a concern that our health benefits may be cut or the employer contribution reduced. We made our retirement plans thinking that our health benefits were taken care of. School members make up another third of our membership but their benefits vary by what school district they were employed by prior to retirement. Many school retirees do not have health benefit coverage after retirement. Some of those who did have health benefits after retirement, lose them when they turn 65 and go on Medicare. The amount the school district pays varies from year to year. There are no guarantees of what is covered and how much the employer will pay towards that coverage.